



The President's Daily Brief

March 8, 1976

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FOR THE PRESIDENT ONLY

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WESTERN SAHARA

Morocco and Mauritania severed diplomatic relations with Algeria yesterday after Algiers announced its recognition of the Saharan Democratic Republic, proclaimed on February 27 by the Algerian-backed Polisario Front. Rabat has condemned the so-called republic as an Algerian creation.

In announcing its recognition of the Saharan "state," Algiers again pledged to give the Polisario Front full political, moral, and material support in the struggle for self-determination. Only Algeria, the Malagasy Republic, and Burundi have so far recognized the new "state," which is, in effect, a government in exile.

Egyptian President Sadat, in a statement released yesterday, urged restraint on both Morocco and Algeria and cautioned against taking steps that would "complicate the situation." Sadat's remarks suggest Cairo is prepared to resume its mediatory role if the parties are receptive.

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WESTERN EUROPE - CUBA

The relations of West European nations with Cuba have not been particularly affected by Havana's involvement in Angola. Some governments, however, are under growing domestic pressure to reduce their modest development aid programs to the Castro regime.

The largest West European countries, with the exception of West Germany, have had diplomatic relations with Havana for a decade or more. None of them wants to take action that might affect adversely its share of the Cuban market.

West Germany, which resumed diplomatic relations with Cuba only last year, has announced the cancellation of a planned aid program. This decision resulted partly from criticism by opposition parties.

Other governments will honor existing commitments. The Social Democratic government in Sweden, the largest donor in Western Europe, is under pressure to reduce its assistance but will make every effort to continue aid. Prime Minister Palme is sufficiently concerned about political backlash, however, that he has asked Castro to postpone his trip to Sweden until after the national election there in September.

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SPAIN

This is likely to be a turbulent week in Spain. Leftists have called a general strike in the Basque region, and a politically sensitive court-martial opens in Madrid today.

The general strike in the four Basque provinces has been called by various clandestine labor organizations, including the Communist-dominated workers' commissions, to protest the deaths of four workers killed by police during the demonstrations last week. Organizers of the strike predicted yesterday that it will be the biggest since the Civil War and that economic activity in many parts of the industrialized north will be at a standstill all week.

The strikes may provoke more violence. Small extremist groups have infiltrated some Basque labor groups. These extremists were probably the main instigators of the violence last week.

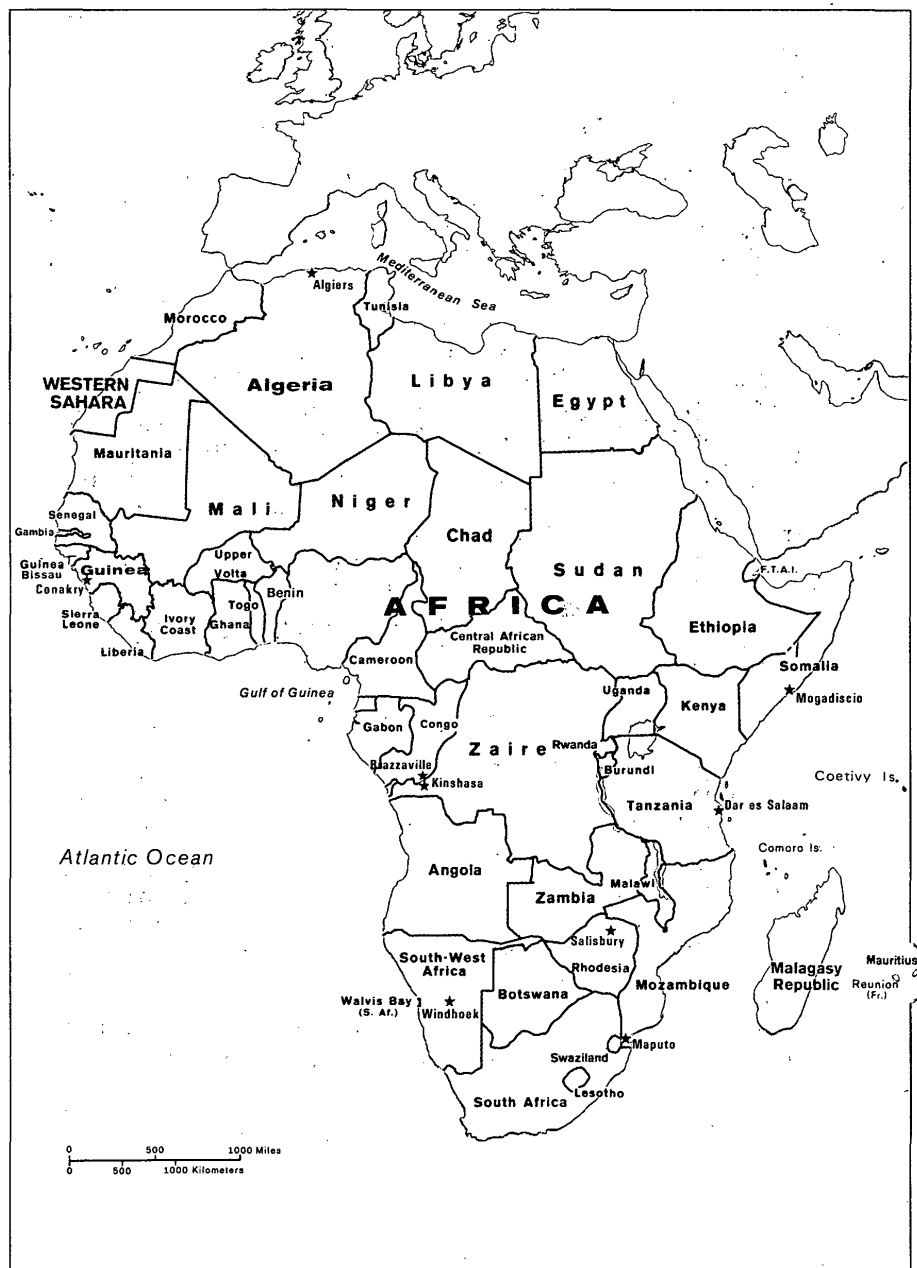
Interior Minister Fraga, who toured the Basque region yesterday, warned that the government will not tolerate "anarchistic attempts" to derail its reform program.

In Madrid, ten officers go on trial today. They were arrested last summer for membership in a clandestine group called the Democratic Military Union. The group, which is reported to have between 300 and 400 members and some 1,000 sympathizers, advocates political reforms and reorganization of the armed forces.

A harsh verdict against the ten could further politicize younger officers who favor some degree of democratization in Spain, while a lenient sentence would outrage hard-line Francoist officers.

The government has tried to discourage reporting about the court-martial, claiming that it is strictly a military matter. Oppositionists have vowed to publicize the affair and, over the weekend, the clandestine Communist radio has been broadcasting declarations of solidarity with the ten officers.

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NOTES

The Soviets are replacing some of their naval ships off West Africa, but are not reducing the size of the force.

The Soviet naval force in the area has stabilized at a level higher than that maintained prior to the war in Angola, and the operating area has been extended to include the Gulf of Guinea as well as the waters off Conakry. When the rotation is complete, the Soviets will have a cruiser, a destroyer, a landing ship, and an oiler operating in West African waters.

Off the east coast, the Soviets have four ships at anchor near Coetivy Island in the Indian Ocean--a destroyer, a landing ship, an oiler, and a support ship.

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Japanese-Australian relations seem likely to improve following a relatively abrasive period caused by the economic recession and the policies of the former Whitlam government.

Although Tokyo is still somewhat cautious, the recent visit by Australian Deputy Prime Minister Anthony clearly indicated to Japanese leaders that the Fraser government wishes to encourage a Japanese economic role in Australia, particularly in the development of natural resources. Trade problems will remain but should diminish in intensity. Japan is Australia's largest trading partner.

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Cuban Prime Minister Castro and Yugoslav President Tito met at Tito's Adriatic island retreat over the weekend. The Yugoslav leader, in his public toast at a dinner honoring Castro on Saturday night, lauded "the army and the people of Angola" for defeating "imperialist and racist forces."

Tito said Angola must be able to determine its domestic policies and to pursue "an independent and nonaligned foreign policy." Contrary to some Western press reports, he made only a parenthetical reference to Cuba's "rich contribution" to the People's Republic of Angola. Castro is expected to move on to Bulgaria today en route home from the Soviet party congress. Tito leaves Yugoslavia on Wednesday for a tour of Mexico, Panama, and Venezuela.

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